

Julie Apostol and William Apostol, (the "Claimants") commenced an action against the Debtors, Recreational Management Corp., in the Superior Court of New Jersey, Law Division, Bergen County, which was styled Kelly Apostol, an infant by her mother and natural guardian, Julie Apostol, Julie Apostol, Individually and William Apostol, Individually, plaintiffs, v. The County of Bergen, Recreational Management Corp., Steven Fleason, Claire Mandel, Michael Mandel, Lee Desantis and John Does A through Z (said names being fictitious and presently unknown), defendants, and bearing case number BER-I-08827-98 (the "State Court Action"), arising out of an alleged personal injury to the Claimants (the "Claim");

WHEREAS, the liability of Recreational Management Corp., if any, to the Claimants with respect to the Claim is covered by the Debtor's applicable general liability insurance policies (the "Policies"); and the Policies may be subject to a deductible payable by the Debtors;

WHEREAS, as a result of the commencement of the Debtors' cases, and as of the Filing Date, the continuation of the State Court Action was stayed by operation of section 362(a) of the Bankruptcy Code (the "Automatic Stay");

WHEREAS, the Claimants seek, and Recreational Management Corp. are willing to consent to, a limited modification of the Automatic Stay on the terms and subject to the conditions set forth herein, so as to allow the Claimants to continue to prosecute the State Court Action to judgment (or other resolution) and to allow the Claimants to collect any judgment obtained therein (or the settlement proceeds thereof, if any) solely from the Policies;

~~NOW,~~ THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and

between Recreational Management Corp. and Claimants, through their undersigned counsel, as follows:

1. Upon the approval of the Stipulation by the Bankruptcy Court, the Automatic Stay shall be modified to allow the Claimants to (a) prosecute to judgment the State Court Action with respect to the Claim, and any subsequent appeals or writs of review taken by any of the parties thereto, solely for the purpose of determining the liability of, and damages against, Recreational Management Corp., if any, with respect to the Claim (or to settle the Claim); and (b) collect any such judgment (or settlement proceeds) solely from the proceeds of the Policies to the full extent of the judgment (or settlement) and only as may be available under the Policies.

2. The Claimants hereby waive, relinquish and discharge any claim that the Claimants ever had, now have, or hereafter can, shall, or may have against any of the Debtors or any of their affiliates, including, but not limited to, Recreational Management Corp. and the assets or properties of their respective estates (including, without limitation, with respect to the deductible under the Policies, to the extent it is applicable, and any deficiency that may arise by virtue of a judgment obtained in excess of the limits of coverage in, or available under the Policies), without prejudice to the Claimants' recovery, if any, under the Policies. The Claimants' sole recovery, if any, shall be from the Policies. Claimants shall not recover from the assets or properties of any of the Debtors and their estates, and the State Court Action shall not result in any cost to the Debtors or their estates.

3. Except to the extent expressly set forth in paragraph 1 and 2, above, the provisions of section 362 of the Bankruptcy Code, including without limitation, those

provisions prohibiting execution, enforcement, or collection of any judgment that may be obtained against the Debtors from and against any assets or properties of the Debtors' estates (as defined in section 541 of the Bankruptcy Code), shall remain in full force and effect. Neither the Claimants nor any of their agents, attorneys, or representatives shall take any action or attempt to cause any action to be taken to collect all or any portion of any such judgment (or settlement proceeds) from the assets or properties of the Debtors' estates, without prejudice to the Claimants' recovery, if any, from the Policies by way of compromise and settlement or otherwise.

4. The Claimants expressly recognize the burdens placed on the Debtors as a result of the chapter 11 filing, and agree to cooperate with Recreational Management Corp. with respect to the scheduling of any requests or demands for discovery, depositions, testimony or production of documents or the like, from any of the Debtors, their workers or their agents.

5. Nothing contained herein shall constitute or operate as a general waiver or modification of the Automatic Stay that would permit the prosecution against the Debtors of any claims or actions by any person or entity other than the Claimants with respect to the State Court Action.

6. The attorney for the Claimants represents and warrants that the Claimants have full knowledge of, and have consented to, this Stipulation and that the attorney has full authority to execute this Stipulation on behalf of the Claimants.

7. This Stipulation is subject to the approval of the Bankruptcy Court and shall be of no force and effect unless and until an order approving the Stipulation has been entered. If this Stipulation is not approved by the Bankruptcy Court, it shall be null


and void and shall not be referred to or used, for any purpose, by any of the parties hereto or any parties to the State Court Action.

8. The Bankruptcy Court shall retain jurisdiction to resolve any disputes between the parties arising with respect to this Stipulation.


9. This Stipulation may not be amended or modified except by further Order of this Court.

Dated: New York, New York
January 31, 2001

GOLENBOCK, EISEMAN, ASSOR & BELL
Proposed Attorneys for Debtors and
Debtors-in-Possession
437 Madison Avenue
New York, New York 10022
(212) 907-7300

By: 
Jonathan L. Flaxer (JF 7096)
A Member of the Firm

GOLDSMITH, RICHMAN, LEVINSON &
HARZ, L.L.P.
Attorneys for Claimants
140 Sylvan Avenue
Englewood Cliffs, New Jersey 07632
(201) 363-1122

By: 
Rachelle L. Harz (RLH 9757)
A Member of the Firm]

SO ORDERED
this 2nd day of Mar February, 2001

/s/Stuart M. Bernstein

UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re:

RANDALL'S ISLAND FAMILY GOLF
CENTERS, INC., et al.,

Debtors.
-----X

Chapter 11
Case Nos. 00 B 41065 (SMB)
Through 00 B 41196 (SMB)

(Jointly Administered)

AFFIDAVIT OF SERVICE

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

SYDNEY R. SMITH, being duly sworn, deposes and says:

1. I am over eighteen (18) years of age, am not a party to this action and reside within New York City, New York.
2. On February 21, 2001, I caused to be served by first class mail a true copy of the Notice of Motion Pursuant to Bankruptcy Rule 9019 for Approval of a Stipulation and Order Granting Limited Relief From the Stay to Allow Kelly Apostol, Julie Apostol, and William Apostol to Pursue Litigation upon the persons on the attached service list by enclosing said documents in self-addressed, post prepaid envelopes and depositing said envelopes in an official depository under the exclusive care and custody of the United States Postal Service within the State of New York.


SYDNEY R. SMITH

Sworn to before me this
21st day of February, 2001


Notary Public

ROSALIND D. FLAKE
Notary Public, State of New York
No. 31-4994251
Qualified in New York County
Commission Expires 8/31/01

Service List

OFFICE OF THE UNITED STATES TRUSTEE
33 Whitehall Street, 21st Floor
New York, New York 10004
Attn: Brian S. Masumoto, Esq.

MORGAN, LEWIS & BOCKIUS, LLP
101 Park Avenue
New York, New York 10178
Attn: Richard S. Toder, Esq.

BERLACK, ISRAELS & LIBERMAN
120 West 45th Street
New York, New York 10036
Attn: Edward S. Weisfelner, Esq.

GOLDSMITH, RICHMAN, LEVINSON & HARZ, L.L.P.
140 Sylvan Avenue
Englewood Cliffs, New Jersey 07632
Attn: Rachelle L. Harz